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Follow-up to the World Summit for Social Development and the twenty-fourth special session of the General Assembly: priority theme: review of further implementation of the World Summit for Social Development and the outcome of the twenty-fourth special session of the General Assembly

Statement submitted by Elizabeth Seton Federation and International Presentation Association of the Sisters of the Presentation, non-governmental organizations in special consultative status with the Economic and Social Council

The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 36 and 37 of Economic and Social Council resolution 1996/31 of 25 July 1996.

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Structural Adjustment, International Cooperation and Partnerships

We know that we do not make the international decisions and commitments that affect the quality of life throughout the world. That is your difficult task as Member States of the UN. We take heart that several UN meetings have named **PARTNERSHIPS** as essential in redressing the inequalities that divide our world. We will gladly work in partnership with you to face the human community's greatest crisis – enduring and life-destroying poverty. We support the recent statement of the G77 and China in reference to the implementing of outcomes of the Monterrey Conference (A/C.2/59/L.4).

Globalization affects every person and nation, though in different ways. We see Structural Adjustment Programs and International Cooperation and Partnerships (Copenhagen Commitments 8 & 10) as means to relieve the misery of almost 1/3 of our brothers and sisters living in extreme poverty. Commitment 8 of the Copenhagen Declaration states: "We commit ourselves to ensuring that when structural adjustment programmes are agreed to they include social development goals, in particular eradicating poverty, promoting full and productive employment, and enhancing social integration".

The World Summit on Social Development and the Millennium Summit, 5 years later, were significant steps forward in trying to deal with extreme poverty, the misery and death it brings, and the damage done to the well-being and security of the world.

We see International Cooperation and people-centred Structural Adjustment approaches as powerful aids in making the world more equal, healthier and, therefore, a safer place.

We wish to address three (3) issues:

1. **Political Will**
2. **REAL Partnerships**
3. **Harmonizing social needs with economic policy-making.**

POLITICAL WILL:

We note the numerous recent references of the Secretary General[1] to ***lack of political will*** and the failure by member States to fulfill promises to do what is needed to remove the scourge of poverty. Instead the gap between rich and poor steadily widens.

The words 'poverty' and 'the poor' can sanitise and hide the extent of the misery that becomes the house in which too many people exist. Our members around the world remind us this Commission deals with 1.6 billion real people. We want to speak up for the most vulnerable: for women still bearing the brunt of poverty; for Indigenous people pushed further into the shadows; for those whose lack of education keep them chained in poverty, for communities destroyed by HIV/AIDS. Each statistic, comprising the 1.6 billion living in extreme poverty, has a face and a name and a story.

We appreciate the efforts of many poorer countries to meet the demands of richer nations and the IFIs, to attract essential resources which they lack. We believe this positive effort must be matched by developed countries honoring the financial and resource commitments they have made.

[1] Report of the Secretary General for Copenhagen + 10; Report on International Financial System; SG's Address at High Level Segment of the GA, September 2004.

We note the words of José Antonio Ocampo to the 2nd Committee (Oct. 2004): *"World leaders recently reminded us that the persistence of extreme poverty and hunger is an economically irrational and politically unacceptable phenomenon ..The barrier is not technology, money or geography, but willpower and courage"*. We would add, it is morally indefensible.

The massive funding of wars, anti-terrorism and security too often derails the development agenda. Money and resources have been made available to these needs at the expense of development aid. So poverty eradication remains the beggar at the table. Anti-terrorism and security are immediate concerns of some countries, but not of all. So a crucial question is: Who sets the UN agenda so that it deals with the concerns of all the member states, especially the poorest and most vulnerable?

As the pace of globalisation quickens, there is no forum where corporate lobbyists and lobbyists for global justice can debate or talk with each other. In a world of growing uncertainty we must avoid further polarisation. As the 'common house' of all people, will the UN again open its doors and provide the forum to bring all the protagonists together? Globalisation and its rules unduly influenced by private enterprise, without the moderating influence of other viewpoints, is dangerous.

Releasing real men, women and children from the prison of poverty is not charity. It is justice!
We encourage and call you to translate commitments into reality.

REAL PARTNERSHIPS:

If a fair globalization is to work, *"we need not only the international community composed solely of Governments, but we need the global community that involves States and key actors from every segment of life"*. (Juan Somavia, Director General, ILO)

We recognise there are discrete areas of responsibility and competence in addressing the crisis. Every one of us, as a citizen of the earth community, has responsibility for its welfare. However real partnership calls for greater equality at the discussion table. We see partnership as both gift and challenge: ***a gift,*** if we learn new ways to work together to improve the future health and security of each of us; ***a challenge,*** to move past the resistance to bringing all the protagonists to the table, especially poor persons, women, indigenous persons, NGOs.

We see Partnership calling for:

- Improved and more equal relationships between IFIs and indebted nations
- Changes in the power balance in the WTO, World Bank, IMF. Poorer nations must be actively involved in the decisions affecting them and the welfare of their citizens.
- More effective interchange between BWIs, the UN and its Specialised Agencies.
- More joint meetings of the Second and Third Committees to ensure coherence between economic and social decisions.
- Greater collaboration between Governments, NGOs, the private sector, and all other stakeholders, especially the poor, in formulating policy and evaluating outcomes

INTEGRATING SOCIAL NEEDS INTO ECONOMIC POLICY:

Policy demands imposed by IFIs create conflicts for Finance Ministers of developing states trying to balance the state budget. Many developing countries say that significant parts (even up to 60%) of their GDP must go to service external debt. How can we achieve the MDGs while this situation continues?

We recognise there are many things State Governments cannot control. But there are other things that **are** within your control.

Policy coherence and better harmonisation within and between donor countries, as development partners, will assist more even development by the poorest nations. Within national governments, all ministries should share a development-based agenda faithful to Copenhagen and the MDGs. This policy coherence must also extend to trade. The poorest nations, with few resources, can be hindered by differing or conflicting approaches, models and demands from different funding sources.

The concrete reality of individual countries must be respected. Each country's needs and resources are different. Poor countries are now required to produce Poverty Reduction Strategy Papers by the Bank and the Fund as a precondition for loans. Many countries will need outside assistance to achieve this.

The first evaluations of PRSPs are now being done. Plainly many countries' PRSPs do not give clear priority to the social needs of their people. Severe cutbacks in public sector spending, forced privatisation of public utilities and 'user-pays' principles are often the order of the day. Terms and conditionalities in the PRSP design suggest they are not yet the result of genuine partnership.

There is a serious disconnect between macro-economic policies required of developing nations and efforts to eradicate poverty. Could we take a page out of Ghandi's book and ask, "What effect will this policy have on the poorest people?"
We wish to speak now to the OECD nations.

- Uncontrolled movements of foreign capital into and out of countries are serious problems.
- We call on you to take the lead in developing mutually agreed and binding rules to control flows of external funds.
- We recommend that you instruct your public servants on the Boards of the International Financial Institutions and WTO to ensure that the principles, developed in Copenhagen, New York, Monterrey and elsewhere, inform their decisions about financial and market rules.

The World Bank and the IMF say they wish to help indebted, developing countries find their place as equal players in the global marketplace. But this consistently fails to happen. Over the last 25 years there has appeared the widest divergence in patterns of wealth among countries in human history. This calls for immediate attention if there is to be any hope of meeting the time line of the MDGs.

POLICY RECOMMENDATIONS:

1. **That the Financing for Development Secretariat and process be strengthened as the engine of dialogue/decision-making among governments /regions/ NGOs/IFIs. That the FfD Secretariat establishes working groups, involving all stakeholders, on each theme in macroeconomic and social policies.**
2. **That governments fulfil their pledges of financial resources and make available technical and legal assistance e.g. on work with trans-national corporations, HIV/AIDS, and employment rights.**
3. **That all structural adjustment progr ms ensure social programs are sustained for those living on the margins of society.**
4. **That the Second and Third Committees hold more frequent joint meetings to ensure integration of social and economic policies.**

5. **That the social implications of economic policy decisions be integral to IFI and WTO Board negotiations.**

This statement is supported by the following non-governmental organizations in consultative status with the Economic and Social Council:

Congregation of Our Lady of Charity of the Good Shepherd
Congregations of St. Joseph
Dominican Leadership Conference
Franciscans International
International Association of Charities
International Association of Schools of Social Work
International Federation of Settlements and Neighbourhood Centres
International Union of Anthropological and Ethnological Sciences
Sisters of Mercy of the Americas
Sisters of Notre Dame de Namur
Society of Catholic Medical Missionaries
VIVAT International